172, while updating the positions of the appropriate instruments indicated by Funding Position list 180, as required. --

IN THE CLAIMS:

Please cancel claims 1-3 as follows:

Please add the following new claims 4-33 as follows:

4.   (new) A method of determining risk associated with a portfolio comprising a plurality of instruments in a simulation, by simulating changes to the composition of the portfolio over a plurality of times of interest and under a plurality of scenarios, comprising the steps of:

   (a)   creating a dynamic portfolio having an initial composition as defined by a user;

   (b)   defining a trading strategy for the dynamic portfolio, wherein the trading strategy defines a desired result dependent on at least one tracked attribute, and wherein the trading strategy is associated with at least one trading instrument;

   (c)   for each of the plurality of scenarios, simulating at a first time of interest, changes to said initial composition of said dynamic portfolio wherein the execution of trades of said at least one trading instrument is simulated until said desired result is obtained, said dynamic portfolio having a changed composition after said changes to said initial composition are simulated; and

   (d)   producing a risk metric for said dynamic portfolio.

5.   (new) The method as claimed in claim 4, wherein said trading strategy comprises at least one rule.

6.   (new) The method as claimed in claim 4, wherein the method comprises after step (c), the step of continuing said simulation using the dynamic portfolio having said changed composition.

7.   (new) The method as claimed in claim 6, wherein the method comprises the step of simulating at a subsequent second time of interest, changes to said changed composition of said dynamic portfolio wherein the execution of trades of said at least one trading instrument is simulated until said desired result is

obtained , said dynamic portfolio having a third composition after said changes to said changed composition are simulated.

8. (new) The method as claimed in claim 6, wherein the method comprises the step of simulating at a plurality of subsequent times of interest, changes to the composition of said dynamic portfolio wherein the execution of trades of said at least one trading instrument is simulated until said desired result is obtained, wherein the composition of said dynamic portfolio at each time of interest of said plurality of subsequent times of interest reflects changes previously made to the composition of said dynamic portfolio.

9. (new) The method as claimed in claim 8, wherein the quantity of said at least one trading instrument available for trading at each time of interest has been predetermined by the user.

10. (new) The method as claimed in claim 8, wherein said trading strategy is also associated with at least one funding instrument for funding the execution of trades in the simulation.

11. (new) The method as claimed in claim 10, wherein the quantity of said at least one funding instrument available for trading at each time of interest has been predetermined by the user.

12. (new) The method as claimed in claim 5, wherein said at least one rule comprises a condition, and wherein step (c) is performed only when said condition is satisfied.

13. (new) The method as claimed in claim 12, wherein each of said at least one rule is selected from the following group: a band rule, a barrier rule, a comparison rule, a functional rule, a composite rule.

14. (new) The method as claimed in claim 5, wherein step (b) is repeated such that a plurality of trading strategies are defined, and wherein said plurality of trading strategies jointly define a desired result.

15. (new) The method as claimed in claim 5, wherein step (b) is repeated such that a plurality of trading strategies are defined, and wherein each of said plurality of trading strategies define a desired result.

16. (new) The method as claimed in claim 15, wherein each of said plurality of trading strategies is assigned a priority.

17. (new) The method as claimed in claim 16, wherein step (c) is performed for each of said plurality of trading strategies in order of priority.

18. (new) A dynamic portfolio of instruments for use with a risk management system in a simulation, the composition of said portfolio being changeable over a plurality of times of interest and under a plurality of scenarios in said simulation, the portfolio comprising:

   (a) a holding structure indicating instruments and their quantity in the portfolio;

   (b) a strategy structure indicating at least one trade manager for which a trading strategy is defined, wherein the trading strategy of each of said at least one trade manager defines a desired result dependent on at least one tracked attribute, wherein said trading strategy is associated with at least one trading instrument;

   wherein for each of the plurality of scenarios at a time of interest, said at least one trade manager simulates changes to the composition of said dynamic portfolio as defined in said holding structure, and wherein the execution of trades of said at least one trading instrument is simulated until said desired result is obtained, said dynamic portfolio having a changed composition after said changes are simulated, and wherein said changed composition is reflected in said holding structure.

19. (new) The dynamic portfolio of instruments for use with a risk management system in a simulation as claimed in claim 18, wherein said trading strategy comprises at least one rule.

20. (new) The dynamic portfolio of instruments for use with a risk management system in a simulation as claimed in claim 18, wherein the quantity of said at least one trading instrument available for trading at each time of interest has been predetermined by the user.

21. (new) The dynamic portfolio of instruments for use with a risk management system in a simulation as claimed in claim 18, wherein said trading strategy is also associated with at least one funding instrument for funding the execution of trades in the simulation.

22. (new) The dynamic portfolio of instruments for use with a risk management system in a simulation as claimed in claim 21, wherein the quantity of said at least one funding instrument available for trading at each time of interest has been predetermined by the user.

23.   (new) The dynamic portfolio of instruments for use with a risk management system in a simulation as claimed in claim 19, wherein said at least one rule comprises a condition.

24.   (new) The dynamic portfolio of instruments for use with a risk management system in a simulation as claimed in claim 23, wherein each of said at least one rule is selected from the following group: a band rule, a barrier rule, a comparison rule, a functional rule, a composite rule.

25.   (new) The dynamic portfolio of instruments for use with a risk management system in a simulation as claimed in claim 18, wherein each trading strategy of said at least one trade manager is assigned a priority.

26.   (new) A risk management system operable on a set of instruments and a set of scenarios, each scenario including risk factor values and a scenario probability, said system comprising:

    (a)   at least one risk engine operable to determine a risk value for each instrument in said set of instruments, said risk value determined by evaluating, in view of said risk factors in said scenario, a model stored for said instrument;

    (b)   a database to store said risk value for each instrument in said set of instruments;

    (c)   at least one dynamic portfolio of claim 18; and

    (d)   an aggregating engine to retrieve said determined risk values and said scenario probabilities for said dynamic portfolio to produce a risk metric corresponding to the composition of said dynamic portfolio.

27.   (new) The risk management system of claim 26, wherein said trading strategy comprises at least one rule.

28.   (new) The risk management system of claim 26, wherein the quantity of said at least one trading instrument available for trading at each time of interest has been predetermined by the user.

29.   (new) The risk management system of claim 26, wherein said trading strategy is also associated with at least one funding instrument for funding the execution of trades in the simulation.

30. (new) The risk management system of claim 29, wherein the quantity of said at least one funding instrument available for trading at each time of interest has been predetermined by the user.

31. (new) The risk management system of claim 27, wherein said at least one rule comprises a condition.

32. (new) The risk management system of claim 31, wherein each of said at least one rule is selected from the following group: a band rule, a barrier rule, a comparison rule, a functional rule, a composite rule.

33. (new) The risk management system of claim 26, wherein each trading strategy of said at least one trade manager is assigned a priority.